

August 1, 2008

This edition of the COD Processing Update will remain on the <u>COD Web site</u> until a new edition is posted. We will notify schools via a COD Web Message when a new edition has been posted.

Direct Loan Program

COD News

2008-2009 COD Technical Reference July 2008 Updates Now Available (08/01/08)

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Reminder of Origination Fee Reduction for Direct Subsidized Loans and Direct Unsubsidized Loans (07/30/08)

As explained in <u>Direct Loan Bulletin 08-05</u>, the origination fee for Direct Subsidized Loans and Direct Unsubsidized Loans was reduced for 2008-2009. This bulletin provides operational guidance for schools and third party software providers on implementing the latest reduction in the origination fee.

Last year, many Direct Subsidized Loan and Direct Unsubsidized Loan awards rejected because the correct origination fee was not included with the award and/or was not used to calculate the award and its disbursements. For this reason, we want to remind schools of the previously provided guidance that is critical to successfully implementing the origination fee reduction for Direct Subsidized Loan and Direct Unsubsidized Loan awards.

Schools should refer to <u>Direct Loan Bulletin 08-05</u> for complete information about the origination fee reduction.

If your school needs assistance with COD System processing, including making changes to origination fees, contact the COD School Relations Center.

2009-2010 COD Technical Reference Draft Now Available (07/30/08)

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Note: Beginning with the 2009-2010 COD Technical Reference, we will post the files only in PDF format. This approach is consistent with how we have always posted the COD Technical Reference on the FSADownload Web site as well as how we post other technical references.



Upcoming SAIG Message Class File Update (07/28/08)

On July 31, 2008, Federal Student Aid will send the message class "MESSAGTB" via the Student Aid Internet Gateway (SAIG) to all user mailboxes. The EDconnect transmission software will automatically request, download, and import this new message class table with your next connection to the SAIG network. Once the MESSAGTB file has been imported, the new message class table will be used from that point forward.

Federal Student Aid will add message classes for the COD System and the Financial Management System (FMS) to the new message class table. These message classes are explained in a July 25, 2008 Electronic Announcement on the Information for Financial Aid Professionals (IFAP) Web site.

For complete information about the new message class table, including the COD System updates to the new message class table, refer to the July 25th Electronic Announcement. A message containing this same information will be sent to schools' SAIG mailboxes.

COD Common Record XML Schema Version 3.0b Posted (07/28/08)

During the period March 27-29, 2009, Federal Student Aid plans to implement COD System functionality that will support the processing of Academic Competitiveness Grant (ACG), Federal Pell Grant (Pell Grant), National Science and Mathematics Access to Retain Talent Grant (National SMART Grant), Teacher Education Assistance for College and Higher Education (TEACH) Grant, and William D. Ford Federal Direct Loan (Direct Loan) awards for the 2009-2010 Award Year. In conjunction with this implementation, Federal Student Aid will begin using a new version of the COD Common Record Extensible Markup Language (XML) Schema. The new schema version is 3.0b.

Effective upon completion of the March 27-29, 2009 COD System implementation—

- All 2009-2010 Common Record documents must be sent by schools and will be acknowledged by the COD System using COD Common Record XML Schema Version 3.0b.
- All 2009-2010 unsolicited system-generated responses will be sent by the COD System using COD Common Record XML Schema Version 3.0b.
- COD Web Activity responses for all award years will be sent by the COD System using COD Common Record XML Schema Version 3.0b.
- All available school reports, including data requests, will continue to be sent in formats other than XML.

In Federal Student Aid's June 4, 2008 posting of COD Common Record XML Schema Version 3.0a, the financial aid community was informed that schema version 3.0a would be required after the COD System implementation for the 2009-2010 Award Year. The guidance Federal Student Aid is providing now regarding schema version 3.0b and its required use after the COD System implementation for the 2009-2010 Award Year supersedes its earlier guidance. This posting of schema version 3.0b is the authoritative source for the schema version that will be required after we complete the March 27-29, 2009 COD System implementation.



For complete information about the new schema version, refer to "COD Common Record XML Schema Version 3.0b."

If you have any questions, contact the COD School Relations Center.

COD Batch Processing Suspension And Web Site Outages August 8-10, 2008 (07/28/08) As explained in a July 25, 2008 Electronic Announcement on the Information for Financial Aid Professionals (IFAP) Web site, during the period August 8-10, 2008, Federal Student Aid plans to complete the second in a series of activities specifically targeted to increase COD System capacity. Through this work, Federal Student Aid will remove data for closed years from the COD System's production environment. As a general rule, schools no longer need to submit data to the COD System or access data via the COD Web site for these closed years.

In addition to the data removal for closed years, Federal Student Aid plans to complete work necessary to implement a CommonLine Transformation Engine (CTE) solution. The CTE will support the acceptance, conversion, and processing of CommonLine Version 4 and CommonLine Version 5 flat file records from schools that transition from the Federal Family Education Loan (FFEL) Program into the Direct Loan Program and need to use the CTE solution on a temporary basis.

In order to complete its work—

• Federal Student Aid will suspend COD batch processing beginning at 6:00 A.M. (ET) on Friday, August 8, 2008. Records submitted after this time will be held and processed after 8:00 P.M. (ET) on Sunday, August 10, 2008.

Note: All actual disbursements with a disbursement date from August 8, 2008 through August 10, 2008 must be received by the COD System no later than Noon (ET) on Thursday, August 7, 2008, and subsequently accepted by the COD System, in order for them to be included in the drawdown prior to the outage. Disbursements submitted by the deadline but not subsequently accepted, disbursements submitted after the deadline, and disbursements with a disbursement date after August 10, 2008 will be processed and funded after the outage.

- The <u>COD Web site</u> will be unavailable from 6:00 A.M. (ET) on Friday, August 8, 2008 until 8:00 P.M. (ET) on Sunday, August 10, 2008.
- The <u>Direct Loan Electronic Master Promissory Note (MPN) Web site</u> will be unavailable from 6:00 A.M. (ET) on Friday, August 8, 2008 until 8:00 P.M. (ET) on Sunday, August 10, 2008.

An individual starting the process by 5:00 A.M. (ET) on August 8, 2008 will be able to complete his or her MPN before the Web site becomes unavailable. An individual attempting to access the Web site after the cutoff time will see a Web site maintenance message and will not be able to start the process or retrieve an existing MPN.

• The <u>TEACH Grant Agreement to Serve (ATS) Web site</u> will be unavailable from 6:00 A.M. (ET) on Friday, August 8, 2008 until 8:00 P.M. (ET) on Sunday, August 10, 2008.



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Note Regarding COD School Relations Center on August 8, 2008: The COD School Relations Center will be open from 8:00 A.M. until 8:00 P.M. (ET) on Friday, August 8, 2008. However, due to the COD System and Web site outages, customer service representatives will be limited in the assistance they will be able to provide on that day.

Federal Student Aid apologizes for any inconvenience the batch processing and Web site outages may cause and appreciates your understanding and patience while it completes this important activity.

Weekly Reminders

Computer-Based Training Program for COD System Web Site, COD Reports, and Electronic MPN Web site (07/25/08)

Federal Student Aid takes this opportunity to remind schools of the availability of an updated Computer-Based Training (CBT) for the <u>COD System Web site</u>. The updated COD CBT includes enhancements that have been made to the COD System from March 2004 through April 14, 2007. Additionally, a new Direct Loan Reports CBT, a new Grant Reports CBT, and new simulations of the <u>Direct Loan Electronic Master Promissory Note (MPN) Web site</u> have been developed and are available for download.

The electronic files for the CBTs and simulations, as well as instructions for downloading and using these files, are available on the Information for Financial Aid Professionals (IFAP) Web site. Under the "Tools for Schools" section, click on COD Computer-Based Training.

The CBTs and simulations are as follows:

COD System Web Site CBT

The COD System Web site CBT simulates the COD System and functionality available to a school administrator. In the updated COD System Web site CBT, there are eight lessons with text and an open format to guide a user through each area of the COD System Web site simulation. The user can explore basic navigation and functions of the COD Web site and practice locating and creating information in a safe environment with tips for assistance.

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- EMPN online Parent PLUS
- EMPN online School Administrator
- EMPN online Subsidized-Unsubsidized

If you have any questions or comments about the CBTs and simulations, contact the COD School Relations Center. If you e-mail your question or comment to CODSupport@acs-inc.com, please include "CBT Question/Comment" in the subject line.

Reports and Data Requests



This section contains important notices regarding reports and/or data requests. While we encourage you to review this section, note that some schools may not be impacted by the information presented below.

Direct Loan Rebuild File—

Schools in need of this file should contact the COD School Relations Center.

Grant Programs

ACG, National SMART Grant, Pell Grant, and TEACH Grant

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TEACH Grant Operational Implementation Guidance – COD System Implementation and Guidance Summary (07/01/08)

The College Cost Reduction and Access Act (the CCRAA), Pub. L. 110-84, authorized the Teacher Education Assistance for College and Higher Education (TEACH) Grant Program for implementation beginning with the 2008-2009 Award Year. The TEACH Grant Program provides up to \$4,000 a year in grant assistance to a student who agrees to serve for at least four



years as a full-time teacher in a high-need field in a public or private elementary or secondary school that serves students from low-income families. A TEACH Grant recipient who does not complete the required teaching within a specified timeframe, or fails to meet certain other requirements of the TEACH Grant Program, will be required to repay the TEACH Grant as a Direct Unsubsidized Loan under the William D. Ford Federal Direct Loan Program. During the period June 27-28, 2008, Federal Student Aid implemented COD System functionality that supports the processing of TEACH Grant awards for the 2008-2009 and subsequent award years. This functionality included implementation of the TEACH Grant Agreement to Serve (ATS) Web site.

For TEACH Grant guidance refer to the following postings on the <u>Information for Financial Aid Professionals (IFAP) Web site</u>:

- <u>Final Rule published on June 23, 2008 (73 FR 35472)</u> in the <u>Federal Register</u> provides the final regulations effective July 1, 2008 for the 2008-2009 Award Year.
- <u>Dear Colleague Letter GEN-08-01</u> provides policy information on all of the provisions of the CCRAA, including the TEACH Grant Program.
- <u>Dear Colleague Letter GEN-08-07</u> provides information on institutional eligibility for the TEACH Grant Program.
- <u>June 19, 2008 Electronic Announcement</u> provides information on Federal Student Aid's operational implementation of TEACH Grant Program functionality.
- <u>June 27, 2008 Electronic Announcement</u> provides information on the student aspects of the TEACH Grant Program that will be operational for July 1, 2008. This communication includes a "TEACH Grant Agreement to Serve (ATS) Web Site User Guide" designed to assist a student in completing his or her first electronic ATS.
- <u>2008-2009 COD Technical Reference</u> provides technical information related to the processing of TEACH Grant awards.

Federal Student Aid will continue to inform the community of the implementation of additional TEACH Grant functionality scheduled for implementation over the next several months. Please monitor the <u>IFAP Web site</u> for the forthcoming communications.

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